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ABSTRACT

This report describes how students from the major racial/ethnic groups and of different genders pay for college, identifying background characteristics that influence how students finance their education. Data for the study comes from the 1995-96 National Postsecondary Student Aid Study (NPSAS:96), conducted by the U.S. Department of Education. The report is organized in two broad sections: race/ethnicity and gender. Each section opens with a summary that compares students by background characteristics (gender, age, dependency status), financial characteristics (annual income, price choices, grants, and net price), and financing choices. Following the summaries are profiles for each student category: white students, African-American students, Hispanic/Latino students, Asian-American students, American Indian students, women, and men. The study finds some similarities that cut across race and gender lines: white or minority, rich or poor, male or female, most students attend college part time and work long hours while they are enrolled and most work in lieu of taking student loans. The study argues that combining working with part-time attendance is self-defeating because research has shown that these students are less likely to complete a degree than those who maintain a full course load. (CH)

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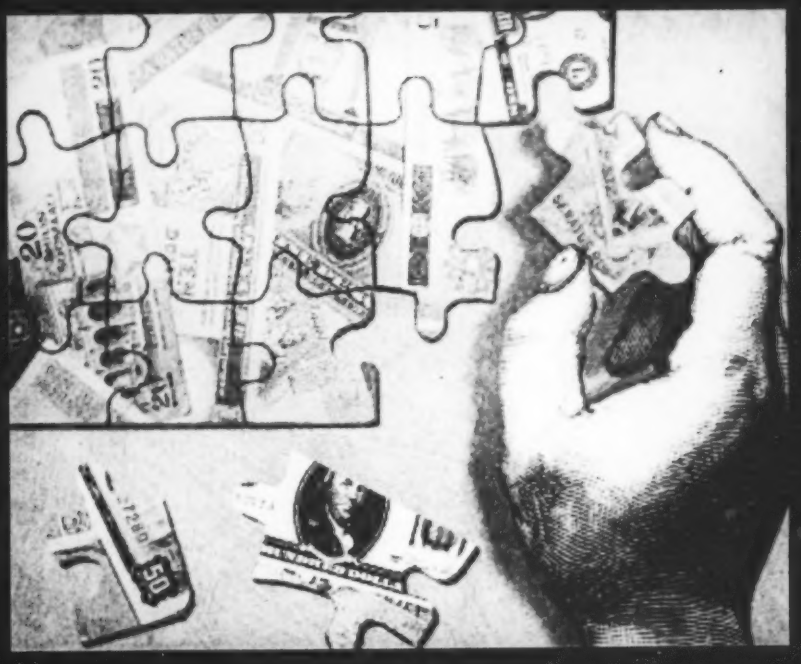

The Impact of Race/Ethnicity and Gender on How Students Pay for College

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Money Matters

The Impact of Race/Ethnicity and Gender on How Students Pay for College

By Jacqueline E. King
American Council on Education

American Council on Education

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Table of Contents

Introduction	1
Student Comparison: Race/Ethnicity	5
Student Profile: White Students	17
Student Profile: African-American Students	21
Student Profile: Hispanic/Latino Students	25
Student Profile: Asian-American Students	29
Student Profile: American Indian Students	33
Student Comparison: Gender	37
Student Profile: Women	47
Student Profile: Men	51
Conclusions	55

Introduction

Many reports have been written on how students pay for college. Most focus on differences according to income or institutional type. Race and gender differences are almost never the focal point of reports on college financing. Even when race and gender *are* introduced into such a study, the data often prove too complex for non-experts to understand.

Money Matters attempts to fill this gap. It describes how men, women, and students from the major racial and ethnic groups pay for college. It also identifies background characteristics that influence how students finance their education. *Money Matters* should prove an important desk reference for those who need to understand how race and gender influence the way students pay for college.

ORGANIZATION OF THE REPORT

Money Matters has two main sections: The first focuses on race and ethnicity and the second on gender. Each section begins with a summary comparing students by race/ethnicity or gender on a number of background characteristics and financing choices. The summaries are followed by brief profiles for women and men and for each major racial/ethnic group. These profiles describe students' background characteristics and the major choices they make in financing their education. Because this report is designed to be a desk reference, many figures are included and text is kept to a minimum.

DATA USED

The data in this report are from the 1995–96 National Postsecondary Student Aid Study (NPSAS: 96). Conducted by the U.S. Department of Education's National Center for Education Statistics, NPSAS: 96 is a nationally representative survey of students in all sectors of postsecondary education. All data in the report are from the 1995–96 academic year. While college prices and student aid have increased since then, these data still provide the most comprehensive national picture of how students pay for college.

LIMITATIONS OF THE REPORT

Because the resources that undergraduate and graduate students draw on to finance their education can be extremely different, this report focuses on undergraduate students only.

Although this report considers both race/ethnicity and gender, it does not examine the combined effects of race/ethnicity and gender. Thus, though it examines the circumstances of African Americans and women, for example, it does not profile African-American women specifically. Such analysis is excluded for two reasons. First, it would make the report much more complicated, running counter to the goal of creating a simple desk reference for non-experts. Second, for several of the racial/ethnic groups, the number of students in the NPSAS sample would be insufficient to generate reliable estimates for many characteristics.

Money Matters does encompass students at all types of postsecondary institutions, including for-profit trade schools, but it concentrates on students at collegiate, degree-granting institutions.

Finally, this report does not address the differential rate at which various groups participate in higher education. (See ACE's *Annual Status Report on Minorities in Higher Education* for information on this topic.)

KEY TERMS

Throughout this report, several terms are used that require definition. They are listed in the order in which they appear in the text:

- **Dependent Student.** An undergraduate who is unmarried, has no dependents, is under age 24, and is not a veteran.

- **Independent Student.** An undergraduate student who is age 24 or older, married, a veteran, or has a dependent. All graduate students are considered independent. Independent students are further divided into those who have no dependent (other than a spouse) and those who have one or more dependents.

- **Expected Family Contribution (EFC).** The result of a federal (or institutional) formula that determines, on the basis of income and asset data supplied by financial aid applicants, how much money a family should be expected to contribute annually toward higher education expenses. This report uses the results of the federal formula.

- **Attendance Status.** Two factors define attendance status: attendance intensity and length of attendance. The variable used here reports both whether a student attended on a full-time or part-time basis, as defined by the institution, and whether attendance was for a full nine-month academic year or for only part of the academic year.

- **Net Price.** Net price is equal to the total student budget less any grants received. Each college or university determines the total budget. It includes tuition and other fixed charges, as well as the institution's estimate of reasonable allowances for variable items such as books and supplies and living expenses. It is adjusted based on the student's living situation (on campus, at home, etc.) and his or her attendance status.

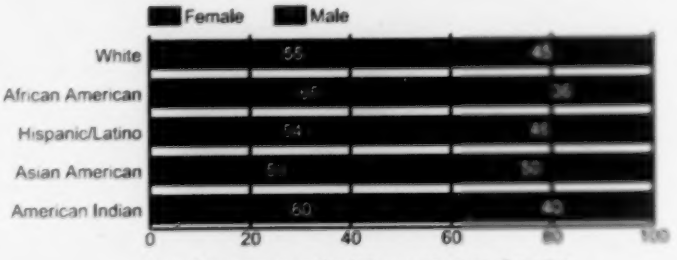
Student Comparison: Race/Ethnicity

Student characteristics and choices influence both the price of students' education and how they pay that price. This section compares data for each racial/ethnic group on background characteristics, choices that determine price, grants and net price, and choices about meeting those prices.

BACKGROUND CHARACTERISTICS

- **Gender:** Women constitute the majority of students in each racial/ethnic group except Asian Americans; these majorities are largest for American Indians and African Americans. The female majority among African Americans is especially striking: Two-thirds of undergraduate students are female. (See Figure 1.)

Figure 1
Distribution of Students by Gender and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

- **Age:** The age distribution of students by racial/ethnic group reveals unexpected similarities among pairs of groups. Asian-American and Hispanic/Latino students are the most likely to be of traditional college age. American Indian students are unique in that the largest age cohort is 30 years of age and older. (See Figure 2.)

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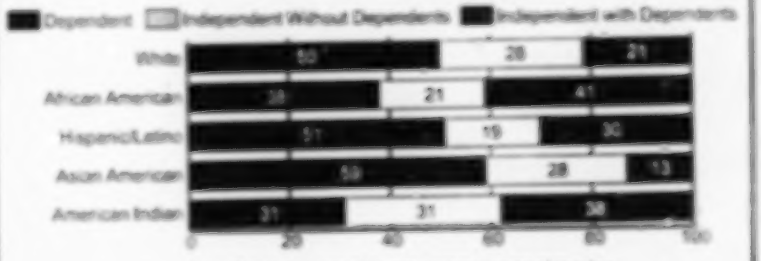
Figure 2
Distribution of Students by Age and Race/Ethnicity

Note: Details may not add to 100 percent because of rounding.

■ **Dependency Status:** Contrary to expectation, the distribution by dependency status does not mirror the age distribution. Typically, the proportion of dependent students is less than the proportion of students age 23 or younger. Some people in that age group qualify as independent because they are married and/or have children. In all cases but one, the difference between the age and dependency distributions is not particularly dramatic. The exceptional case is African Americans. While half of all African-American students are less than 24 years of age, only 38 percent are classified as dependent. The primary reason for this disparity is that one-quarter of independent African-American students with dependents are younger than 24. These students face the extraordinary challenge of balancing parenthood and college while they are still quite young. (See Figure 3.)

Figure 3
Distribution of Students by
Dependency Status and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

ANNUAL INCOME

The annual income of dependent and independent students must be measured separately because of their differing family situations. Typically, dependent students

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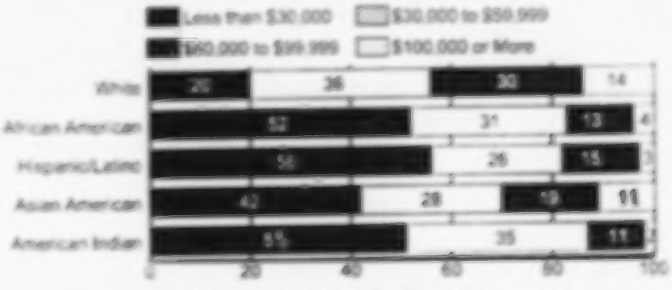
have higher family income than independent students because one or both parents work full time. Independent students with no dependents often have modest income because they are single people who have forgone working full time in order to pursue postsecondary education. Finally, independent students with dependents typically fall into one of two groups. They either benefit from a spouse's income or they struggle as single parents.

- **Annual Income of Dependent Students:** African-American, Hispanic, and American Indian dependent students share similar income profiles. In each case, more than half of the students come from families with an annual income of less than $30,000; less than one-quarter of students in each of these groups have family income of $60,000 or more. The income profile of Asian-American students is only somewhat better: 42 percent of these students come from families with an annual income of less than $30,000, and one-quarter have family income of $60,000 or more. The income profile of dependent white students stands in stark contrast to those of the other groups. Only 20 percent of white students have an annual family income of less than $30,000, and 44 percent have income of $60,000 or more. (See Figure 4.)

Figure 4
Distribution of Dependent Students by Annual Income and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

- **Annual Income of Independent Students Without Dependents:** It is difficult to summarize the income of independent students without dependents. This group includes married students, individuals who are truly financially independent, and students who continue to rely on their parents for support but who are classified as independent because of their age. Thus, the income students report may reveal very little about the ease or difficulty with which they finance their education.

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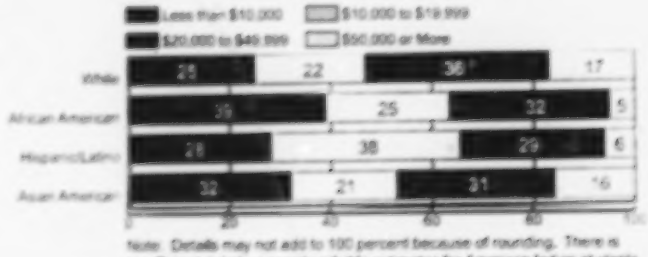
The two groups with the largest proportion of students in this category are whites and Asian Americans. While Asian-American students are more likely to fall into the lowest income category (less than $10,000 annually), the income profiles of these two groups are remarkably similar. Asian-American students fall almost evenly among the three income categories: those with income of less than $10,000; between $10,000 and $30,000; and $30,000 or more. More white students fall in the middle group, and one-quarter are in the lowest income category. (See Figure 5.)

Figure 5
Distribution of Independent Students Without Dependents by Annual Income and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding. There is insufficient data to generate reliable estimates for American Indian students.

- **Annual Income of Independent Students with Dependents:** Less than one-quarter of white and Asian-American students fall into this category. In contrast, approximately 40 percent of American Indian and African-American students and 30 percent of Hispanic/Latino students are independent with dependents. Almost two-thirds of these African-American students have income of less than $20,000. The income profile for Hispanic and American Indian students is somewhat better: A little less than half of Hispanic/Latino students have income of less than $20,000, and one-quarter have income of $50,000 or more. Half of American Indians have an annual income between $20,000 and $50,000. (See Figure 6.)

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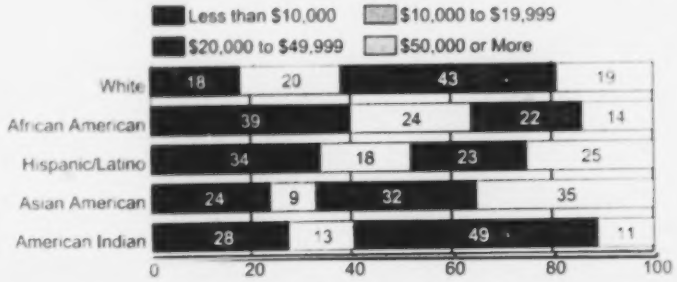
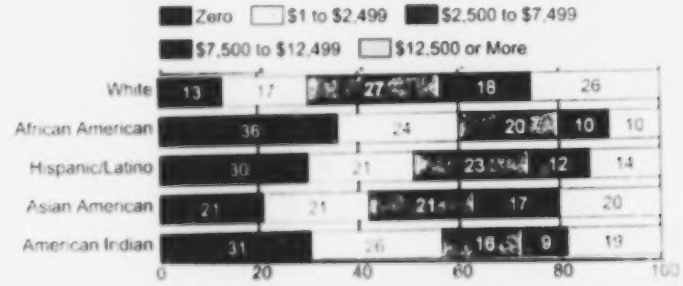
Figure 6
Distribution of Independent Students with Dependents by Annual Income and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

■ **Expected Family Contribution:** Using Expected Family Contribution (EFC) to measure family resources is useful because the formula adjusts for differences in dependency status and family size, allowing all students to be compared at once. Given what we know about students' income, it is not surprising that African-American, Hispanic/Latino, and American Indian students have the lowest EFC profile, whites have the highest, and Asian-Americans fall in the middle. Sixty percent of African-American, 30 percent of white, and 42 percent of Asian-American students have an EFC of less than $2,500. Forty-four percent of white students have an EFC of $7,500 or more, compared to 20 percent of African-American students. (See Figure 7.)

Figure 7
Distribution of Students by Expected Family Contribution and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

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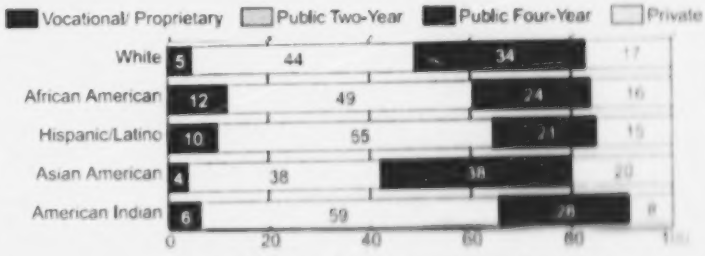
PRICE CHOICES

Students make numerous choices that affect how they finance their postsecondary education. These choices can be — and often are — contingent on non-financial factors, such as academic interest and ability, family situation, and work requirements. Nevertheless, money is an important consideration, and the choices students make tend to be based at least in part on their estimate of what will make it possible for them to afford postsecondary education. Three of these basic choices are what institution to attend, whether to attend full or part-time and for a full or partial year, and where to live.

- **Type of Institution:** Perhaps because of the continued popularity of historically black colleges and universities, African Americans are somewhat more likely than other predominantly low-income student groups to choose four-year institutions. However, the distinctions between African Americans and other groups with a low income/EFC profile are not dramatic. Forty percent of African-American students attend four-year colleges and universities, compared with 34 and 36 percent of American Indian and Hispanic/Latino students, respectively. In contrast, 58 percent of Asian-American students and 51 percent of white students attend these institutions. Nevertheless, it is important to note that the largest percentage of students in each group except Asian Americans attend community colleges. Even among Asian Americans, as many students attend community colleges as public four-year institutions. (See Figure 8.)

Figure 8
Distribution of Students by Institutional Type and Race/Ethnicity



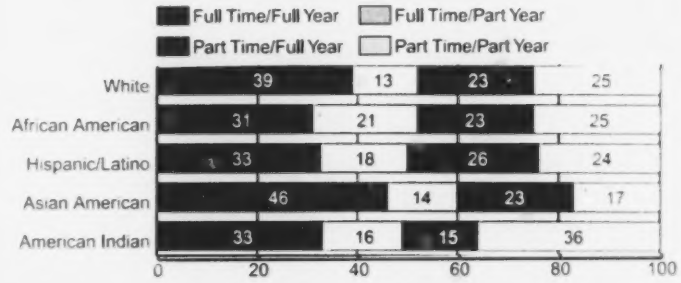
Note: Details may not add to 100 percent because of rounding.

- **Attendance:** While many non-financial factors might influence a student's choice of institution, it seems reasonable to assume that financial resources would be a major factor in determining attendance status. Attending college on a full-time basis makes financial sense. It speeds one's time to degree, allowing one to enter the more lucrative job market for college graduates

and decreasing the opportunity costs of attending college. Given that 90 percent of students intend either to transfer from their current institution or attain a degree where they are, it seems reasonable to expect that most who could afford to would attend full time.

Yet this is not the case. Despite their very different income profiles, the attendance patterns of white, African-American, Hispanic/Latino, and American Indian students are similar. Approximately one-third of African-American, Hispanic/Latino, and American Indian students attend college full time/full year; less than 40 percent of white students do so. Asian-American student are more likely to attend on a full-time/full-year basis, but students in this category still are not a majority. (See Figure 9.)

Figure 9
Distribution of Students by Attendance Status and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

- **Housing:** Choice of housing is influenced by family and personal circumstances as well as financial concerns. For example, independent students with dependents are unlikely to live with parents or other relatives because they have established their own families. Students who attend institutions far from home do not have the option of living at home and therefore cannot take advantage of the savings that could accrue from living with their parents.

The majority of students in each racial/ethnic group live on their own, off campus. Less than 20 percent of each group live on campus. Hispanic/Latino students are unique in that more than 40 percent live with their parents or other relatives. Further research may help clarify whether

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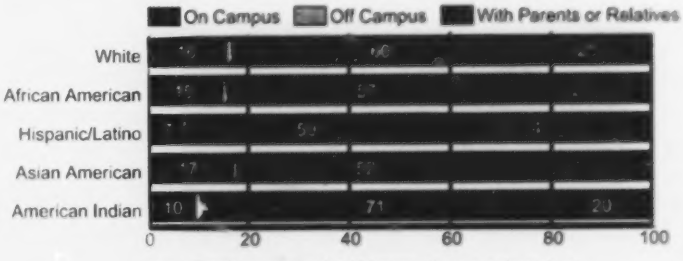
Hispanic students tend to live at home because they have chosen to attend a nearby community college or whether they choose community colleges so they can live at home. (See Figure 10.)

Figure 10
Distribution of Students by Housing and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

GRANTS AND NET PRICE

- **Grants:** Grants are awarded by numerous sources on the basis of many different criteria. However, most grant assistance comes from colleges and universities and from the federal government's Pell Grant program and is awarded on the basis of financial need. Because need is based, in part, on the price of education, and because most institutional aid is offered by four-year colleges and universities, students at four-year institutions are far more likely than students at community colleges to receive grant assistance. At four-year institutions, African-American, Hispanic/Latino, and American Indian students all have a similar likelihood of receiving grant assistance.

  At community colleges, more than half of African-American students receive grants, compared to one-third of Hispanic/Latino and American Indian students. This is because independent African-American students with dependents, who account for 50 percent of the African-American student population at community colleges, are far more likely than any other group of students with this dependency status to receive grant assistance. The high aid eligibility of these students is the result of two facts: First, as noted above, African-American independent students with dependents are more likely to be single parents; and, second, they have a lower income profile than any other group. (See Figure 11.)

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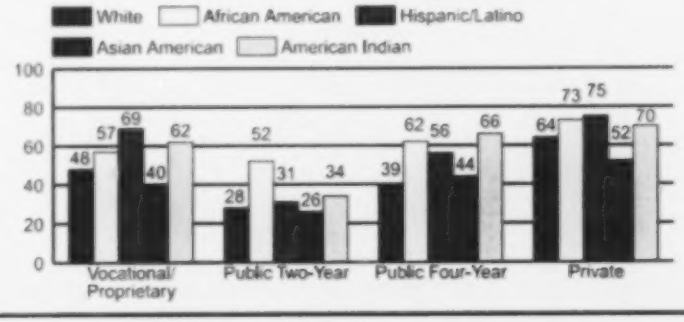
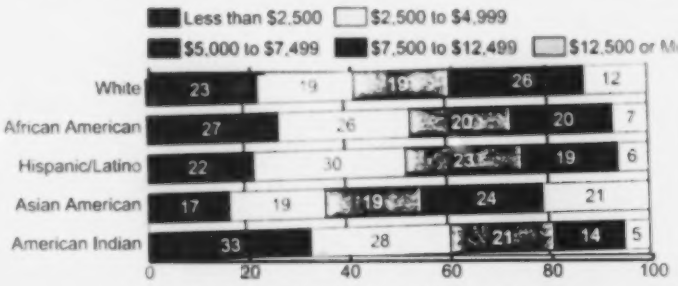
Figure 11
Percentage of Students Receiving Grants by Institutional Type and Race/Ethnicity



■ **Net Price:** When choice of institution, attendance, housing, and grants are all taken into consideration, the net price of attending college can be determined. This figure is equal to the total student budget, adjusted for attendance and housing status, less any grants received. It provides the best available information on how much students really spend to attend college, despite the fact that institutional allowances for various discretionary budget items may differ from students' actual spending.

American Indians are most likely to have the lowest net price. More than 60 percent face a net price of less than $2,500. For one-third of American Indian students, the net price is zero. African-American and Hispanic/Latino students have nearly identical net price patterns. More than half have a net price of less than $2,500 and, for approximately one-quarter of these students, the net price is zero. Asian-American students have the highest net price pattern; almost half have a net price of $7,500 or more. White students are evenly distributed across the net price spectrum. (See Figure 12.)

Figure 12
Distribution of Students by Net Price and Race/Ethnicity



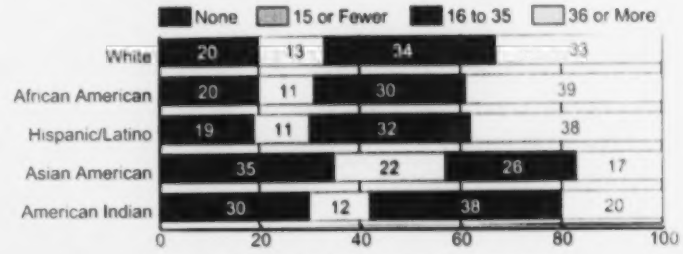
Note: Details may not add to 100 percent because of rounding.

FINANCING CHOICES

One major source of college financing is parents and other relatives. No reliable method exists for determining the direct and indirect or in-kind support provided by family members. Better data pertain to the financing choices that students can control — namely, working and borrowing. Nevertheless, it is difficult to determine whether differences in students' work and borrowing choices are the result of differential family support.

- **Work:** The working patterns of African-American, Hispanic/Latino, and white students are similar, except that white students are slightly less likely than African-American and Hispanic/Latino students to work full time. Within each group, 80 percent of students work and one-third or more work full time. This similarity is striking in that white students have a much higher income profile than the other two groups. Asian-American and American Indian students are less likely to work at all and to work full time than the other groups. For many Asian-American students, this may represent a conscious decision to forgo work in order to study full time. This explanation doesn't make much sense for American Indian students, one-third of whom attend college full time. Rather, it seems more likely that many American Indian students do not work because the reservations and remote rural communities in which they live do not offer job opportunities. (See Figure 13.)

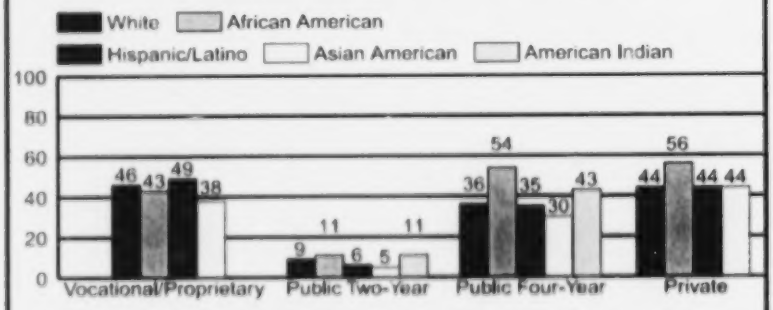
Figure 13
Distribution of Students by Average Number of Hours Worked per Week and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

■ **Loans:** Overall, students are much less likely to borrow than they are to work. Approximately one-quarter of undergraduates take out student loans each year. Borrowing rates vary dramatically according to institutional type. Generally, between one-third and one-half of students at four-year institutions borrow, but only 10 percent of students at community colleges do so. At both public and private four-year institutions, African Americans are more likely than any other group to borrow. This is especially true among dependent students. One possible explanation for this disparity is that many Hispanic students choose to live at home, possibly diminishing their need for loans. (See Figure 14.)

Figure 14
Percentage of Students Borrowing Student Loans by Institutional Type and Race/Ethnicity



Note: The number of American Indian respondents enrolled at vocational/proprietary and private institutions is insufficient to generate reliable estimates.

■ **Work and Loans Combined:** Most students do not combine work and borrowing; working is the chosen financing method of the majority of students. More than half of the students in each racial/ethnic group except Asian Americans work but do not borrow. Among Asian Americans, just

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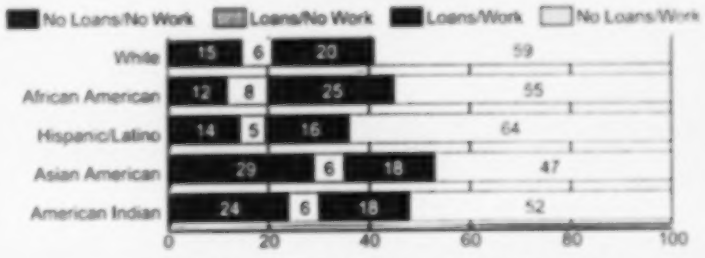
less than half follow this pattern. African-American students are most likely to rely on both loans and work (at 25 percent) and Hispanic students are least likely to do so (16 percent). Less than 10 percent of students in each racial/ethnic group borrow but do not work. (See Figure 15.)

Figure 15
Distribution of Students by Work/Borrowing Status and Race/Ethnicity



Note: Details may not add to 100 percent because of rounding.

SUMMARY

These data reveal three important patterns. First, they illustrate the dramatic income disparity between white students and students from other racial/ethnic groups. Most non-white students have low income. Second, they demonstrate that, as a general rule, students' choices reduce the immediate cost of attending college. By choosing lower-priced community colleges, attending part time, and working, students reduce the immediate cost of their education. Third, regardless of income profile, most students are not exhibiting the behaviors that we know contribute to student persistence and academic success. Ideally, students should enroll on a full-time basis and should devote most of their time to studying in order to successfully and rapidly complete a degree. Instead, most students — of all races and ethnic groups — attend college part time and work. This pattern generally holds true regardless of the group's income profile. Even Asian Americans are as likely as not to work and to attend part time.

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Student Profile: White Students

BACKGROUND CHARACTERISTICS

- **Gender, Age, and Dependency Status:** More than half of white students are female. More than half are 23 or younger, but a substantial proportion (28 percent) are age 30 or older. Half of white students are considered independent for financial aid purposes. Just 21 percent of white students have dependents, but 36 percent of these students are single parents. The majority of white students are in their teens and twenties and are either dependent on their parents or independent without dependents of their own. (See Figures 1, 2, and 3, pp. 5 and 6.)

- **Annual Income of Dependent Students:** Most dependent white students come from middle- or upper-income families; 44 percent come from families with income of $60,000 or more, and 36 percent have family income between $30,000 and $60,000. Only 20 percent come from families with income of less than $30,000. (See Figure 4, p. 7.)

- **Annual Income of Independent Students Without Dependents:** Almost half (47 percent) of white students in this group have income of less than $20,000, and one-quarter have income of less than $10,000. Most of these students are single and have forgone income in order to attend college. At the same time, some single independent white students do have substantial income: 17 percent have income of $50,000 or more. (See Figure 5, p. 8.)

- **Annual Income of Independent Students with Dependents:** Perhaps because they are less likely to be single parents, white students with dependents have a relatively healthy income profile compared to other racial/ethnic groups. Nevertheless, almost 40 percent of these students have income of less than $20,000. One in five has income of $50,000 or more. (See Figure 6, p. 9.)

- **Expected Family Contribution:** Reflecting their generally healthy income profile, one-quarter of white students have an expected family contribution of $12,500 or more. However, 13 percent have income so low that the federal student aid eligibility formula estimates that they can make no financial contribution. (See Figure 7, p. 9.)

PRICE CHOICES

- **Type of Institution:** Given their positive income profile, one would expect that most white students would choose higher-priced four-year colleges and universities. In fact, only half of white students attend these institutions. Almost half (44 percent) attend lower-priced community colleges. Another 5 percent attend public or private vocational institutions and proprietary schools. (See Figure 8, p. 10.)

- **Attendance Status:** Less than half of white students (39 percent) attend on a full-time/full academic year basis. Almost half attend part time, either for a full or part year, and the remainder attend full time, but only for part of the year. (See Figure 9, p. 11.)

- **Housing Status:** Only 16 percent of white students live on campus. More than half (59 percent) live off campus and one-quarter live with their parents or other relatives. Of course, for most independent and older students, living on campus or with parents is not a viable option. Many dependent students also prefer the privacy and freedom afforded by off-campus living. (See Figure 10, p. 12.)

GRANTS AND NET PRICE

- **Grants:** Overall, approximately 40 percent of white students receive grant assistance; the average amount is $2,600. The proportion of white students receiving grants ranges from 28 percent at community colleges to 64 percent at private institutions. (See Figure 11, p. 13.)

- **Net Price.** When grants are deducted from the total student budget, the resulting figure is the net price of education. Although the media often spotlight middle-income white students who face high college prices, the percentage of white students who face an annual net price of $12,500 or more is relatively low at 12 percent. Another 26 percent pay a net price between $7,500 and $12,500 per year. For the majority of white students

(61 percent), the net price of college is less than $7,500 per year; for almost one-quarter (23 percent), the net price is less than $2,500 per year. (See Figure 12, p. 14.)

FINANCING CHOICES

For most white students (85 percent), student loans and/or working during the academic year are means of paying college bills. The media focus on student borrowing, but for most white students, work is a far more important source of college financing. One-quarter of white students take out student loans each year; 80 percent work during the academic year.

- **Work:** Work can be a positive experience for students; research has shown that students who work part time (15 hours per week or less), especially in jobs on campus, tend to perform better than other students and are more likely to graduate. However, when students work more than part time, employment has a marked negative effect on both academic performance and persistence. One-third of white students work full time (more than 35 hours per week), and another 34 percent work between 16 and 35 hours per week. Only 13 percent work the recommended 15 or fewer hours per week. (See Figure 13, p. 15.)

- **Loans:** Only one-quarter of white students borrow in a given year; the average amount they borrow is $4,200. However, borrowing patterns vary dramatically according to the type of institution students attend, ranging from more than 40 percent at private and proprietary institutions to less than 10 percent at community colleges. Nonetheless, the percentage of white students who graduate with student loan debt and their average amount of debt are considerable. Just over half of white bachelor's degree recipients borrowed while in college, and their average indebtedness was $12,300. Although most community college students do not borrow, one-third of white students who earned an associate's degree did borrow, and their average indebtedness was $6,200. (See Figure 14, p. 15.)

- **Work and Loans Combined:** Only 20 percent of white students work and borrow in a given year; most students choose between these two approaches to meeting college expenses. More than half (59 percent) of all white students work and do not borrow. Almost all of these students work more than a part-time schedule. Conversely, only 6 percent of white students borrow but do not work. Clearly, work is the preferred means of paying for college for most white students. (See Figure 15, p. 16.)

SUMMARY

When most people envision a white college student, they see an 18- to 21-year-old who attends a four-year college or university, faces high college bills that strain his or her middle-class parents' resources, and borrows a large amount to meet these expenses. Some white students fit that profile, but a far greater proportion are older, attend low-priced institutions, and work to meet their college expenses.

Student Profile: African-American Students

BACKGROUND CHARACTERISTICS

- **Gender, Age, and Dependency Status:** African-American students have the highest proportion of females of any racial/ethnic group; almost two-thirds are women. Half are age 24 or older. Most (62 percent) are considered independent for financial aid purposes. Two-thirds of independent African-American students have dependents, making this the largest subgroup (41 percent). In addition, almost two-thirds of these students are single parents, the largest proportion of any racial/ethnic group. (See Figures 1, 2, and 3, pp. 5 and 6.)

- **Annual Income of Dependent Students:** More than half (52 percent) of dependent African-American students come from families with an annual income of less than $30,000. More than one-quarter (28 percent) come from families with income of less than $15,000. Fewer than one-fifth (17 percent) have income of $60,000 or more. (See Figure 4, p. 7.)

- **Annual Income of Independent Students Without Dependents:** Almost two-thirds (64 percent) of African-American students in this group have an annual income of less than $20,000. 39 percent have income of less than $10,000. Only 5 percent have income of $50,000 or more. (See Figure 5, p. 8.)

- **Annual Income of Independent Students with Dependents:** Like their peers without dependents, almost two-thirds (63 percent) of these students have an annual income of less than $20,000. 39 percent have income of less than $10,000. However, a larger proportion of independent students with dependents (14 percent) have family income of $50,000 or more. (See Figure 6, p. 9.)

- **Expected Family Contribution:** More than one-third (36 percent) of African-American students are not expected to make any financial contribution to their educational costs. That is, their families' income and assets are so limited that the government does not expect them to be able to pay anything for postsecondary education. Another one-quarter are expected to contribute less than $2,500 annually. Only 10 percent are expected to be able to contribute $12,500 or more each year to pay for postsecondary education. (See Figure 7, p. 9.)

PRICE CHOICES

- **Type of Institution:** Half of African-American students attend community colleges. Another 12 percent attend public or private vocational institutions and proprietary schools. Only 40 percent attend private or public four-year colleges and universities. Among those who do choose four-year institutions, two out of five choose private institutions. (See Figure 8, p. 10.)

- **Attendance Status:** Less than one-third of African-American students (31 percent) attend on a full-time/full academic year basis. Half attend part time, either for a full or part year, and the remainder attend full time, but only for part of the year. (See Figure 9, p. 11.)

- **Housing Status:** Only 15 percent of African-American students live on campus. More than half (57 percent) live off campus, and just over one-quarter (28 percent) live with their parents or other relatives. The high proportion of students living off campus is due, at least in part, to the fact that many are independent and have their own families. (See Figure 10, p. 12.)

GRANTS AND NET PRICE

- **Grants:** Three out of five African-American students receive grant assistance in average amounts of $2,500. African-American students are unique in that even among those that attend community colleges, more than half receive grant assistance. This is due to the fact that independent African-American students with dependents account for 50 percent of the African-American student population at community colleges. African-American independent students with dependents are more likely to be single parents and to have a lower income profile than any other group and thus are far more likely to receive grant assistance than any other group of students with this dependency status. (See Figure 11, p. 13.)

- **Net Price:** Given that African-American students are likely to attend low-cost institutions, to receive grants, and to enroll on a part-time or part-year basis, it is not surprising that their net price is low. More than half (53 percent) of African-American students have a net price of less than $5,000 per year. Only 7 percent face an annual net price of $12,500 or more. (See Figure 12, p. 14.)

FINANCING CHOICES

For most African-American students (88 percent), student loans and/or earnings from employment during the academic year help pay college bills. One-third of African-American students take out student loans each year; 80 percent work during the academic year. Work is a very important factor in the life of most African-American students. In fact, almost half of employed African-American students (43 percent) identify themselves as primarily employees who are also taking classes, as opposed to students who are working to meet college expenses.

- **Work:** Almost 40 percent of African-American students work full time (more than 35 hours per week) and another 30 percent work between 16 and 35 hours per week. Only 11 percent work the recommended 15 hours or less per week. (See Figure 13, p. 15.)

- **Loans:** African-American students are more likely than students from any other racial/ethnic group to take out student loans. One-third of African-American students borrow an average of $3,800 in a given year. Borrowing patterns vary dramatically according to the type of institution students attend. More than half of African-American students attending public or private four-year colleges take out student loans, compared to only 11 percent of those attending community colleges. Consequently, among African-American students who complete a bachelor's degree, the share of students with debt is quite high. Almost eight out of ten African Americans who earn a bachelor's degree borrow and the average amount of student loan debt they accrue is $13,000. Although most community college students do not borrow, just under half (44 percent) of those who complete an associate degree graduate with some student loan debt. The average amount these students borrow is $6,500. (See Figure 14, p. 15.)

- **Work and Loans Combined:** While one-quarter of African Americans work and borrow in a given year, most students choose between these two approaches to meeting college bills. More than half of African-American students work and do not borrow. Almost all of these students

work more than a part-time schedule. Conversely, only 8 percent of African-American students borrow but do not work. Despite their high borrowing rate, work is the means most African Americans prefer for meeting college bills. (See Figure 15, p. 16.)

SUMMARY

It is always dangerous to describe a "typical" student, but some clear trends do stand out with regard to African-American undergraduates. The "typical" African-American college student is a low-income woman in her mid-twenties with a child. She works full time and attends a community college on a part-time basis. She receives some grant assistance and does not take out student loans. Given her attendance pattern and understandable focus on work and family, she is unlikely to complete a degree. Of course, many African-American college students are very different from this woman: they are of traditional college age and attend four-year institutions from which they graduate, often with substantial student loan debt. Because these are the students on whom educators and the public focus most often, it is instructive to keep in mind a second model: the low-income, older, working mother attending a community college part time.

Student Profile: Hispanic/Latino Students

BACKGROUND CHARACTERISTICS

- **Gender, Age, and Dependency Status:** More than half (54 percent) of Hispanic/Latino students are female. Three out of five are 23 or younger. Half of Hispanic/Latino students are considered dependent for financial aid purposes. Almost one-third of Hispanic/Latino students have dependents, and 40 percent of these students are single parents. (See Figures 1, 2, and 3, pp. 5 and 6.)

- **Annual Income of Dependent Students:** Most dependent Hispanic/Latino students come from low-income families. 56 percent come from families with an annual income of $30,000 or less, and one-quarter have family income of less than $15,000. Less than one-fifth come from families with income of $60,000 or more. (See Figure 4, p. 7.)

- **Annual Income of Independent Students Without Dependents:** Hispanic/Latino students in this group have very low income. Two-thirds have an annual income of less than $20,000, and 28 percent have income of less then $10,000. (See Figure 5, p. 8.)

- **Annual Income of Independent Students with Dependents:** The income profile for this group of Hispanic students reflects both the split between married and single students and the diversity of the Hispanic/Latino student population. Many of these students have very low family income. One-third report an annual family income of less than $10,000. However, one-quarter report a family income of $50,000 or more. (See Figure 6, p. 9.)

- **Expected Family Contribution**: Given the large proportion of Hispanic/Latino students from low-income families, it is not surprising that 30 percent of these students have an expected family contribution of zero and another 21 percent have an EFC of less than $2,500. Only 14 percent have an EFC of $12,500 or more. (See Figure 7, p. 9.)

PRICE CHOICES

- **Type of Institution**: The majority of Hispanic/Latino students choose to attend community colleges. Among those who do attend four-year colleges, 40 percent choose private institutions. (See Figure 8, p. 10.)

- **Attendance Status**: Only one-third of Hispanic/Latino students attend college on a full-time/full-year basis. Half of Hispanic/Latino students attend part time; there is an even split between those who enroll for an entire academic year and those who attend part time and part year. (See Figure 9, p. 11.)

- **Housing**: Almost half (43 percent) of Hispanic/Latino students live with their parents or other relatives; only 7 percent live on campus. The remaining half, which would include most older Hispanic/Latino students, live on their own off campus. (See Figure 10, p. 12.)

GRANTS AND NET PRICE

- **Grants**: Less than half of Hispanic/Latino students receive grant assistance. The average amount these students receive is $2,500. The relatively low proportion of Hispanic/Latino students receiving grants is due in part to the fact that so many of them attend low-price, public two-year institutions. Moreover, 30 percent of Hispanic/Latino students attending on at least a half-time basis do not apply for financial aid. Nevertheless, Hispanic students attending four-year institutions receive grants at about the same rate as African-American and American Indian students. (See Figure 11, p. 13.)

- **Net Price**: Given the types of institutions Hispanic/Latino students attend, as well as their attendance and housing choices, it is not surprising that most face low net prices. More than half have a net price of less than $5,000 per year, and 22 percent have a net price of less than $2,500. (See Figure 12, p. 14.)

FINANCING CHOICES

Hispanic/Latino students are much more likely to work during the academic year than to take out student loans. Four out of five Hispanic/Latino students work, and only one out of five borrows each year.

- **Work**: Almost 40 percent of Hispanic/Latino students work full time, and another 32 percent work between 16 and 35 hours per week. Only 11 percent work the recommended 15 hours or less per week. (See Figure 13, p. 15.)

- **Loans**: Only 22 percent of Hispanic/Latino students borrow in a given year; the average amount they borrow is $3,600. However, borrowing patterns vary dramatically according to the type of institution students attend, ranging from more than 40 percent at private and proprietary institutions to less than 10 percent at community colleges. Among Hispanic/Latino students who graduate with a bachelor's degree, almost 70 percent have debt averaging $11,500. Only 20 percent of Hispanic/Latino students who receive an associate degree have any student loan debt. (See Figure 14, p. 15.)

- **Work and Loans Combined**: Nearly two-thirds (64 percent) of Hispanic/Latino students work but do not borrow. Almost all of these students work more than a part-time schedule. Conversely, only 5 percent of Hispanic/Latino students borrow but do not work and 16 percent combine work and borrowing. For most Hispanic/Latino students, work is the preferred approach to meeting college bills. However, among those who successfully complete a bachelor's degree, borrowing is far more prominent. (See Figure 15, p. 16.)

SUMMARY

Given the diversity of the U.S. Hispanic/Latino population, and of Hispanic/Latino college students, it is difficult to describe a "typical" student. Nevertheless, Hispanic students are more likely to be of traditional age and dependent than independent, are far more likely to attend community colleges than four-year colleges, are more likely to study part time than full time, and are more likely to work than to take out student loans.

Because Hispanic Americans are the fastest-growing minority group, and because their academic attainment as a group lags behind that of both whites and African Americans, one would hope to see Hispanic students make choices that, though more costly in the short run, will contribute to their attainment of bachelor's degrees. However, these data reveal just the opposite. The majority of Hispanic/Latino students make choices that reduce their total educational costs, but tend to limit their ability to earn a bachelor's degree.

Student Profile: Asian-American Students

BACKGROUND CHARACTERISTICS

- **Gender, Age, and Dependency Status**: This is the only racial/ethnic group in which women are not the majority; the Asian-American student population is split evenly between men and women. Asian Americans are more likely than students in any other racial/ethnic group to be of traditional college age and dependent on their parents. Almost two-thirds of these students are 23 years old or younger. Almost 60 percent are considered dependent, and only 13 percent are independent students with their own dependents. One-quarter of independent Asian-American students with dependents are single parents, the lowest rate for any group. (See Figures 1, 2, and 3, pp. 5 and 6.)

- **Annual Income of Dependent Students**: Asian-American students are somewhat less likely than African-American, Hispanic, or American Indian students to have low income, but students with an annual family income of less than $30,000 remain the largest subgroup. Eleven percent of Asian-American students come from families with income of $100,000 or more. (See Figure 4, p. 7.)

- **Annual Income of Independent Students Without Dependents**: Just over half (53 percent) of Asian-American students in this group have income of less than $20,000. However, some Asian-American single independent students have substantial income; 16 percent have income of $50,000 or more. (See Figure 5, p. 8.)

'Asian American' includes individuals whose ethnic background is Pacific Islander.

- **Annual Income of Independent Students with Dependents:** Most of the relatively small number of Asian-American independent students with dependents are middle income; two-thirds have an annual family income of $20,000 or more and 35 percent have income of $50,000 or more. This is consistent with the fact that relatively few independent Asian-American students are single parents; most can attend college and rely on a spouse's income. (See Figure 6, p. 9.)

- **Expected Family Contribution:** Reflecting the modest income of most Asian-American students, 42 percent have an expected family contribution of less than $2,500 per year. However, a substantial proportion of Asian-American families (20 percent) do have an EFC of $12,500 or more per year. (See Figure 7, p. 9.)

PRICE CHOICES

- **Type of Institution:** The majority (58 percent) of Asian-American students attend four-year institutions. Two-thirds of these students attend public institutions, and the remaining third attend private colleges and universities. In contrast to the stereotype that all Asian-American students are academic "superstars" who only attend selective institutions, more than one-third (38 percent) attend open-admission community colleges. (See Figure 8, p. 10.)

- **Attendance Status:** Asian-American students are more likely than other groups to attend college on a full-time/full-year basis, but those who do so still are a minority (46 percent). Almost as many (40 percent) attend part time, either for a full or part year, and the remainder attend full time but only for part of the year. (See Figure 9, p. 11.)

- **Housing Status:** Despite the fact that Asian-American students are more likely to be of traditional college age and to attend four-year colleges, only 17 percent live on campus. More than half (52 percent) live on their own off campus, and 31 percent live with their parents or other relatives. (See Figure 10, p. 12.)

GRANTS AND NET PRICE

- **Grants:** Approximately 40 percent of Asian-American students receive grant assistance. The average amount these students receive is more than for any other group: $4,400. However, Asian-American students are less likely than students from most other groups — including, in some cases, whites — to receive grants. (See Figure 11, p. 13.)

- **Net Price**: Asian-American students face a broad range of net prices. While more than a third have a net price of less than $5,000 per year, 21 percent have a net price of $12,500 or more. Because they are most likely to choose four-year institutions and to attend on a full-time/full-year basis, Asian Americans are the least likely of all racial/ethnic groups to fall in the lowest net price category and the most likely to fall in the highest category. (See Figure 12, p. 14.)

FINANCING CHOICES

Almost 30 percent of Asian-American students neither work nor borrow, but for those who do need extra funds, work is the preferred means of acquiring them. Two-thirds of Asian-American students work, and one-quarter borrow.

- **Work**: Asian-American students are less likely than other groups to work and are more likely to work part time. 35 percent do not work, and 22 percent work 15 or fewer hours per week. Only 17 percent of Asian-American students work full time. (See Figure 13, p. 15.)

- **Loans**: Only one-quarter of Asian-American students take out student loans in a given year, the average amount they borrow is $3,900. However, borrowing patterns vary according to the type of institution students attend, ranging from more than 40 percent at private institutions to 5 percent at community colleges. Nevertheless, the percentage of Asian-American students who graduate with student loan debt and the average amount of debt they accrue remain remarkably low. Just under 40 percent of Asian-American bachelor's degree recipients borrowed while in college, and their average indebtedness was $11,900. There were an insufficient number of Asian-American community college graduates to estimate their indebtedness. (See Figure 14, p. 15.)

- **Work and Loans Combined**: Almost 30 percent of Asian-American students do not work or borrow, and a small share (6 percent) borrows only. Most Asian-American students work, and almost one-third of those who work also take out student loans. So, although Asian-American students are somewhat less likely than others to work, employment remains an important source of money for college. (See Figure 15, p. 16.)

SUMMARY

The prevailing stereotype is that Asian-American students are academic "superstars" who attend only the most selective colleges. However, these data reveal that Asian-American students are very diverse in terms of their academic choices and economic situations. They are more likely than other American college students to work part time and to study full time, but Asian-American students who fit that pattern are still in the minority. This is true even though Asian-American students are more likely than students from other groups to be of traditional college age.

Student Profile: American Indian Students

Using a nationally representative database to describe American Indian students is problematic because even a survey with a large sample will include relatively few American Indians. Less than 1 percent of American college students identify themselves as Native American or Alaskan Native. That is the case here; several data items are omitted from this profile because the number of respondents was insufficient to generate a reliable statistical estimate.

BACKGROUND CHARACTERISTICS

- **Gender, Age, and Dependency**: Three out of five American Indian students are female. Just under half (41 percent) are age 30 or older; another 19 percent are between the ages of 24 and 29. Given the large percentage of older American Indian students, it is not surprising that more than two-thirds are considered independent for financial aid purposes. The largest group of American Indian students (38 percent) are independent students with dependents. The remainder is split evenly between independent students without dependents and dependent students. (See Figures 1, 2, and 3, pp. 5 and 6.)

- **Annual Income of Dependent Students**: Most dependent American Indian students come from low-income families. 51 percent come from families with an annual income of $30,000 or less, and one-quarter have family income of less than $15,000. Fewer than 15 percent come from families with income of $60,000 or more. (See Figure 4, p. 7.)

- **Annual Income of Independent Students Without Dependents**: The number of students in this category is insufficient to generate reliable estimates.

- **Annual Income of Independent Students with Dependents:** These students have one of the lowest income profiles of any group in this study. One out of five students in this category reports an annual income of $5,000 or less. Forty-one percent report income of less than $20,000. Despite the very high number of low-income students in this group, both Hispanic and African-American students are more likely than American Indian students to have income of less than $20,000. (See Figure 6, p. 9.)

- **Expected Family Contribution:** Because their income profile is so low, 31 percent have an expected family contribution of zero, and another 26 percent are expected to contribute $2,500 or less per year. (See Figure 7, p. 9.)

PRICE CHOICES

- **Type of Institution:** Three out of five American Indian students attend community colleges. Many of these students attend two-year tribal colleges that were founded to serve students on reservations, passing on the cultural heritage of individual tribes, as well as educating students in a traditional college curriculum. Among American Indian students who attend four-year institutions, three-fourths choose public colleges or universities. (See Figure 8, p. 10.)

- **Attendance Status:** Only one-third of American Indian students attend college on a full-time/full-year basis. Most attend part time, and most part-time students enroll for only part of a year. In other words, they enroll for one or two classes in one semester of an academic year. (See Figure 9, p. 11.)

- **Housing Status:** Seven out of ten American Indian students live on their own off campus. This makes sense given that most are not of traditional college age and attend community colleges, which typically do not offer on-campus housing. (See Figure 10, p. 12.)

GRANTS AND NET PRICE

- **Grants:** Despite their low-income profile, less than half of American Indian students receive grant assistance. The average amount these students receive is $2,500. The relatively small proportion of American Indian students receiving grants can be traced to two possible explanations. First, many of them choose low-priced community colleges, and second, many enroll for too few credits to qualify for such key programs as the federal

Pell Grant. American Indian students who attend four-year institutions are just as likely as African Americans and Hispanics to receive grant assistance. (See Figure 11, p. 13.)

- **Net Price:** Because of the types of institutions American Indian students tend to choose, as well as their attendance and housing choices, they face relatively low net prices. More than 60 percent pay a net price of less than $5,000 per year, and one-third have a net price of less than $2,500. (See Figure 12, p. 14.)

FINANCING CHOICES

While American Indian students are less likely than students from other racial/ethnic groups to be employed, they still prefer to work rather than borrow to pay for college.

- **Work:** American Indian students tend to fall into one of two groups. Either they do not work at all (30 percent) or they work more than the recommended amount (58 percent). It is most likely that the large proportion of students not working is more a result of low job availability on reservations and in rural communities than a lack of need for employment. (See Figure 13, p. 15.)

- **Loans:** Only 23 percent of American Indian students borrow in a given year, the average amount they borrow is $3,300. However, more than 40 percent of students at public four-year institutions borrow. Data on students at private institutions and on cumulative debt upon graduation are not available because of low sample size. (See Figure 14, p. 15.)

- **Work and Loans Combined:** One-quarter of American Indian students do not work or borrow. More than half (52 percent) work but do not borrow, with the vast majority of these students working more than part time. Of the 24 percent who borrow, approximately two-thirds also work more than part time. (See Figure 15, p. 16.)

SUMMARY

Although American Indian students share characteristics with other groups, they are unique in several ways. They are more likely to be poor, older, and female than other groups, and they are the most likely of any group to attend community colleges. Also, they are less likely to work than other groups, although this characteristic likely is a reflection of low job availability in the communities in which they live.

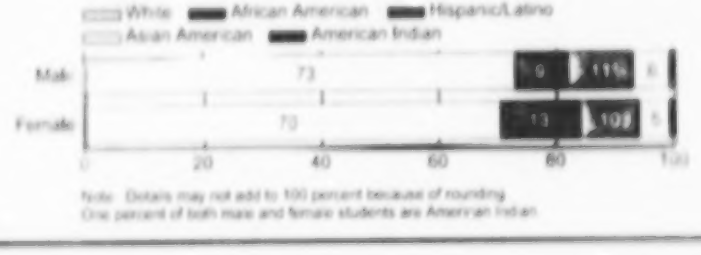
Student Comparison: Gender

How students pay for college is determined by a mix of existing student characteristics and student choices. This section compares data for men and women on background characteristics, choices that determine price, grants and net price, and choices about meeting those prices.

BACKGROUND CHARACTERISTICS

- **Race/Ethnicity**: Women students are slightly less likely than their male counterparts to be white. Women students also are more likely than men to be African American. This makes sense given the large female majority among African American students. (See Figure 16.)

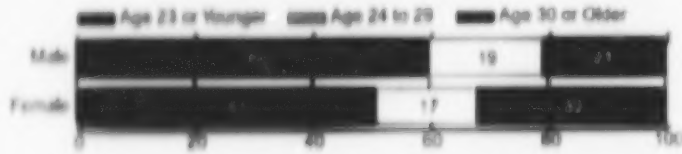
Figure 16
Distribution of Students by Race/Ethnicity and Gender



Note: Details may not add to 100 percent because of rounding.
One percent of both male and female students are American Indian.

- **Age**: Women also are more likely to be older than the traditional college age. Nearly one-third of female students are age 30 or older, compared with 21 percent of male students. (See Figure 17.)

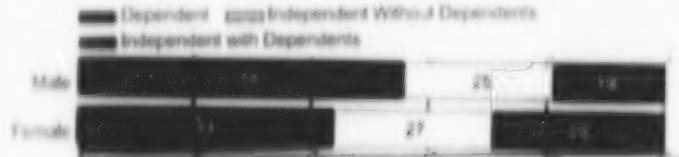
Figure 17
Distribution of Students by Age and Gender



Note: Details may not add to 100 percent because of rounding.

- **Dependency Status**: The difference between the sexes in dependency status is particularly dramatic. While more than half of male students are considered dependent, only 44 percent of women have this dependency status. Women are no more likely than men to be independent without dependents, but they are more likely to be independent with dependents (29 percent versus 19 percent). (See Figure 18.)

Figure 18
Distribution of Students by Dependency Status and Gender



Note: Details may not add to 100 percent because of rounding.

ANNUAL INCOME

The income of dependent and independent students must be measured separately because of students' differing family situations. Typically, dependent students have higher family income than independent students because one or both parents work full time. Independent students with no dependents often have modest income because they are single people who have forgone working full time in order to enroll in postsecondary education. Finally, independent students with dependents typically fall into one of two groups: either they benefit from a spouse's income, or they struggle as single parents.

- **Annual Income of Dependent Students**: The income distributions of male and female dependent students are similar. Women students are slightly more likely than men to have low income; at least in part, this is a reflection of the fact that women are more likely to be members of racial/ethnic minority groups. (See Figure 19.)

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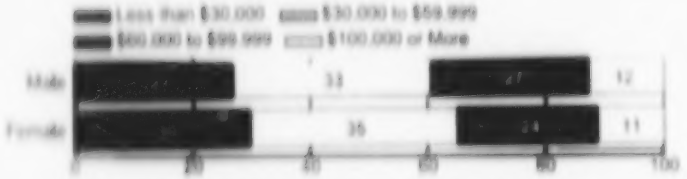
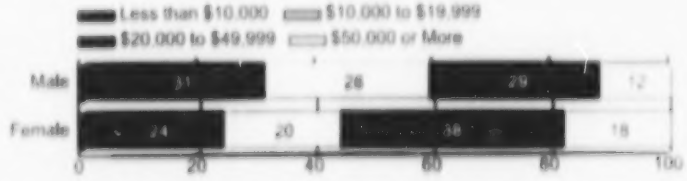
Figure 19
Distribution of Dependent Students by Annual Income and Gender



Note: Details may not add to 100 percent because of rounding.

- **Annual Income of Independent Students Without Dependents**: Male independent students without dependents have a significantly lower income profile than their female counterparts. Fifty-nine percent of male students have an annual income of $20,000 or less, compared with 44 percent of women. This may be due to the fact that male independent students without dependents are more likely to be unmarried and therefore do not have a spouse's income to supplement their own. Thirty percent of male students in this group are married, compared with 46 percent of women. (See Figure 20.)

Figure 20
Distribution of Independent Students Without Dependents by Annual Income and Gender



Note: Details may not add to 100 percent because of rounding.

- **Annual Income of Independent Students with Dependents**: The income picture in this group is the reverse of the previous group. Female independent students with dependents are far more likely to have low annual income. More than half of female students who are independent with dependents earn less than $20,000 per year, compared with one-third of males. Conversely, while 25 percent of male students in this category have income of $50,000 or more, only 16 percent of female students fall into this income category. Again, part of the explanation for these discrepancies may lie in marital status. Women are somewhat more likely than men to be single parents (45 percent versus 35 percent). (See Figure 21.)

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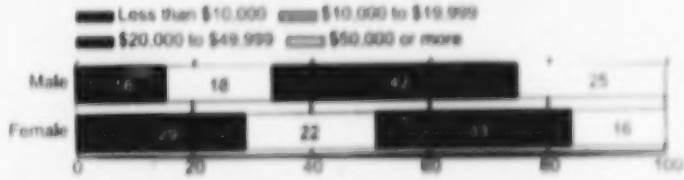
Figure 21
Distribution of Independent Students with Dependents by Annual Income and Gender



Note: Details may not add to 100 percent because of rounding.

■ **Expected Family Contribution**: Using Expected Family Contribution (EFC) to measure family resources can be useful because the formula adjusts for differences in dependency status and family size, allowing all students to be compared at once. In this case, however, EFC masks the differences that are apparent when each dependency status group is reviewed separately. Nevertheless, women are more likely than men to have an EFC of zero (21 and 15 percent, respectively). These students' income is so low that the formula estimates that they can not afford to make any contribution toward the price of their education. (See Figure 22.)

Figure 22
Distribution of Students by Expected Family Contribution and Gender

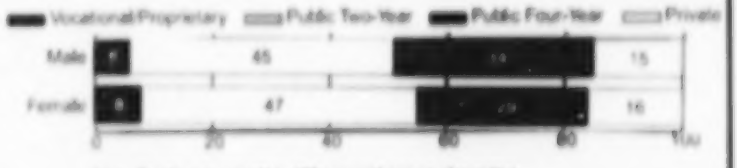
Note: Details may not add to 100 percent because of rounding.

PRICE CHOICES

Students make numerous choices that affect how they finance their postsecondary education. These choices can be — and often are — contingent on non-financial factors, such as academic interest and ability, family situation, and work requirements. Nevertheless, money is an important consideration for most students. Students' choices typically are based, at least in part, on their estimate of what will make it possible for them to afford postsecondary education. Three of these basic choices are which institution to attend, whether to attend full or part time and for a full or part year, and where to live.

- **Type of Institution**. Female students are slightly more likely than men to attend community colleges and vocational/proprietary institutions, and they are somewhat less likely to attend four-year public colleges and universities. Nevertheless, women constitute the majority of undergraduates at each type of institution. (See Figure 23.)

Figure 23
Distribution of Students by Institutional Type and Gender



Note: Details may not add to 100 percent because of rounding.

- **Attendance Status**. Although the differences are not great, male students are more likely than women to attend on a full-time/full-year basis and are less likely to attend on a part-time basis. (See Figure 24.)

Figure 24
Distribution of Students by Attendance Status and Gender

Note: Details may not add to 100 percent because of rounding.

- **Housing**. A higher proportion of male students than female students live with their parents while attending college, perhaps reflecting the fact that male students tend to be younger and are more likely to be dependent. (See Figure 25.)

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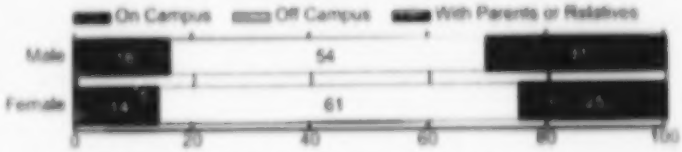
Figure 25
Distribution of Students by Housing and Gender

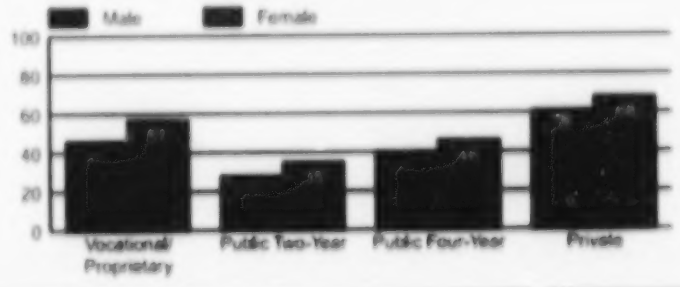


Note: Details may not add to 100 percent because of rounding.

GRANTS AND NET PRICE

- **Grants:** Women are somewhat more likely than men to receive grant assistance. 45 percent of women receive grants versus 38 percent of men. At least in part because of their lower income and EFC profiles, women are more likely to receive grant assistance at all types of institutions. Overall, there is no difference in the average amount of assistance awarded to women and men who receive grants. (See Figure 26.)

Figure 26
Percentage of Students Receiving Grants by Institutional Type and Gender

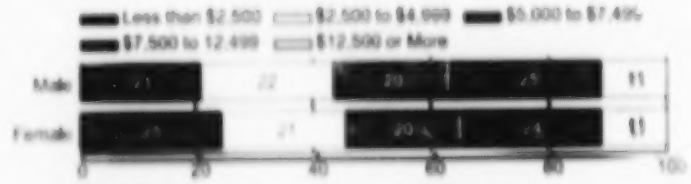


- **Net Price:** When choice of institution, attendance, housing, and grants are all taken into consideration, one can determine the net price of attending college. This figure is equal to the total student budget, adjusted for attendance and housing status, less any grants received.

  Although women are somewhat more likely than men to be in the lowest net price category, differences in the distribution of students by net price and gender are minor. Despite the fact that women are somewhat more

likely to choose lower priced institutions, attend part time, and receive grants, they pay about the same net price as men. This may be because women, who tend to be older, live on their own, and are more likely to have children, have higher living expenses. (See Figure 27.)

Figure 27
Distribution of Students by Net Price and Gender



Note: Details may not add to 100 percent because of rounding.

FINANCING CHOICES

One major source of college financing is parents and other relatives. Unfortunately, no reliable method exists for determining the direct and indirect or in-kind support provided by family members. Because reliable data on parental support are not available, it is difficult to determine whether differences in students' work and borrowing choices are due to differential family support.

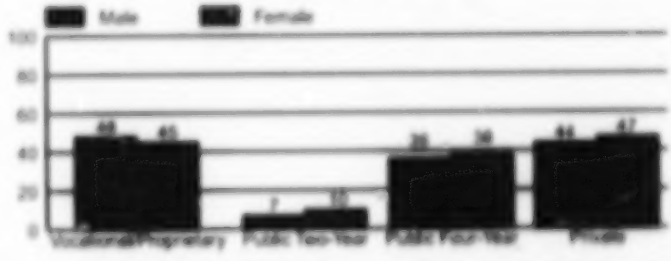
- **Work**: While the vast majority of both male and female students work to help finance their postsecondary education, men are more likely than women to work full time. This discrepancy is greatest among independent students with dependents. Seventy percent of independent male students with dependents work full time, compared with 44 percent of women. (See Figure 28.)

Figure 28
Distribution of Students by Average Number of Hours Worked per Week and Gender

Note: Details may not add to 100 percent because of rounding.

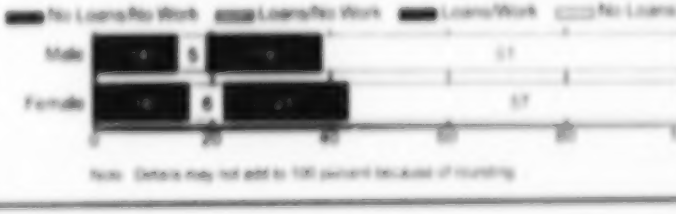
■ **Loans:** There is no significant difference between men and women either in the percentage of students who borrow or in the amount they borrow. This is true regardless of institutional type. Overall, one-quarter of students take out student loans each year, and the average amount they borrow is $4,000. (See Figure 29.)

Figure 29
Percentage of Students Borrowing Student Loans by Institutional Type and Gender



■ **Work and Loans Combined:** In general, while both women and men are much more likely to work than to borrow, men are somewhat more likely to work and not borrow. However, these distinctions are slight. The only major distinctions in working patterns are among students with dependents. (See Figure 30.)

Figure 30
Distribution of Students by Work/Borrowing Status and Gender



Note: Details may not add to 100 percent because of rounding.

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SUMMARY

In general, men and women are much more alike than different in terms of both background characteristics and financing patterns. Differences tend to arise primarily in areas where family structure is a factor. Female students are more likely than male students to be older and to have dependents. The largest —and really the only significant — differences in the financing patterns of men and women are evident when male and female independent students with dependents are compared. Female students with dependents are more likely to have low income and are less likely to work full time than their male counterparts. Additional analysis is needed to more closely examine the financing patterns of this important subgroup of women students.

Student Profile: Women

BACKGROUND CHARACTERISTICS

- **Race/Ethnicity, Age, and Dependency Status:** Reflecting the general student population, 70 percent of women students are white, African Americans make up 13 percent of the female student population, Hispanics/Latinas 10 percent, Asian Americans 5 percent, and American Indians 1 percent. Half of female students are under age 24, but almost one-third are age 30 or older. Less than half of female students are considered dependent for financial aid purposes, 27 percent are independent without dependents, and 29 percent are independent with dependents. Almost half (45 percent) of independent students with dependents are single mothers. (See Figures 16, 17, and 18, pp. 37 and 38.)

- **Annual Income of Dependent Students:** The income of female dependent students falls almost evenly into three categories. Thirty percent have an annual family income of less than $30,000, 35 percent have income between $30,000 and $60,000, and 35 percent have income of $60,000 or more. (See Figure 19, p. 39.)

- **Annual Income of Independent Students Without Dependents:** Less than half (44 percent) of independent female students without dependents have an annual income of less than $20,000. The plurality (38 percent) have income between $20,000 and $50,000. This income profile is fairly healthy, especially given that some independent students who have very little income themselves still receive support from their parents that is not reflected in these data. (See Figure 20, p. 39.)

- **Annual Income of Independent Students with Dependents:** The income profile of these students is not nearly as positive. Half have an annual family income of less than $20,000, and almost 30 percent have income of less than $10,000. (See Figure 21, p. 40.)

- **Expected Family Contribution**: When all students are compared on the basis of the federal formula for estimated expected family contribution (EFC), female students' income shows a remarkably even distribution. Almost the same proportion of female students can afford to make no contribution as can make a contribution of $12,500 or more toward the price of their education. (See Figure 22, p. 40.)

PRICE CHOICES

- **Type of Institution**: The plurality (47 percent) of female students choose community colleges. Among those who attend four-year institutions, 36 percent choose private colleges and universities. (See Figure 23, p. 41.)

- **Attendance Status**: Two out of five female students attend college full time and for a full year. Almost half attend part time, either for a full or part year. (See Figure 24, p. 41.)

- **Housing**: As one might expect given the high proportion of independent and older female students, the majority (61 percent) of female undergraduates live on their own off campus. (See Figure 25, p. 42.)

GRANTS AND NET PRICE

- **Grants**: The percentage of women receiving grant assistance ranges from 35 percent at community colleges to 68 percent at private institutions. Overall, 45 percent of female students receive grants; the average amount received is $2,600. (See Figure 26, p. 42.)

- **Net Price**: Female students pay the full range of net prices to attend college. One-quarter pay a net price of less than $2,500 per year, and more than one-third (35 percent) pay a net price of $7,500 or more. (See Figure 27, p. 43.)

FINANCING CHOICES

- **Work**: Almost 80 percent of female students work, only 14 percent work the recommended 15 hours or less per week. Three out of ten work full time while attending college. (See Figure 28, p. 43.)

- **Loans.** Overall, 27 percent of female undergraduates take out student loans in a given year; the average amount they borrow is $4,000. The percentage of students that borrow varies dramatically by type of institution, from 10 percent at community colleges to almost half at private and proprietary institutions. (See Figure 29, p. 44.)

- **Work and Loans Combined.** One in five female undergraduates uses both loans and work to finance her education. Most (57 percent) forgo loans and rely on work to meet college expenses. Less than 20 percent of female undergraduates neither work nor borrow. (See Figure 30, p. 44.)

SUMMARY

Because women make up the majority of American college students, a profile of female students is in many ways a portrait of all undergraduates. Women are a diverse group, in terms of race/ethnicity, age, family income, and dependency status. Many women combine college with work and/or family obligations, yet relatively few choose to lighten their burden by taking out student loans. Further, many women make choices, such as attending part time and working long hours, that keep the immediate price of education low but may hinder their ability to complete a degree.

Student Profile: Men

BACKGROUND CHARACTERISTICS

- **Race/Ethnicity, Age, and Dependency Status.** Nearly three-fourths (73 percent) of male undergraduates are white. Despite the fact that African Americans are a larger proportion of the general population, a larger proportion of male undergraduates are Hispanic/Latino than African American. African Americans make up 9 percent of the male student population; Hispanic/Latinos, 11 percent. Asian Americans, 6 percent, and American Indians, 1 percent. Three out of five male students are under age 24; the rest of the population is evenly divided between students who are between 24 and 29 years of age and those who are age 30 or older. More than half of male students are considered dependent for financial aid purposes; 22 percent are independent without dependents; and 19 percent are independent with dependents. More than one-third (35 percent) of male independent students with dependents are single fathers. (See Figures 16, 17, and 18, pp. 37 and 38.)

- **Annual Income of Dependent Students.** Nearly 40 percent of male dependent students come from families with an annual income of $60,000 or more. Just less than 30 percent come from families that earn less than $30,000 annually. (See Figure 19, p. 39.)

- **Annual Income of Independent Students Without Dependents.** Nearly 60 percent of male independent students without dependents have an annual income of less than $20,000 and more than 30 percent have an income of less than $10,000. Two facts may contribute to the relatively poor income profile of this group of male students. Seventy percent of men in this dependency category are single, and half either do not work or work

less than full time. As a result, many of these students only report income from a part time job, even though they may continue to receive support from their parents that is not reflected in these data. (See Figure 20, p. 39.)

- **Annual Income of Independent Students with Dependents.** In contrast to the previous group, almost 70 percent of male students in this category have an annual income greater than $20,000 and one-quarter report income of $50,000 or more. Most of these students work full time and are married, so their family income reflects earnings from at least one — and often two — full time jobs. (See Figure 21, p. 40.)

- **Expected Family Contribution.** When EFC is used as the basis for comparison, male students' income appears evenly distributed. However, male students are more likely to be able to make a large contribution toward their education than to be unable to make any contribution. 23 percent have an EFC of $12,500 or more, and only 15 percent have an EFC of zero. (See Figure 22, p. 40.)

PRICE CHOICES

- **Type of Institution.** The plurality (49 percent) of male students enroll at four year colleges and universities. 70 percent of these students attend public institutions. However, the percentage of students attending community colleges (45 percent) is nearly equivalent to that of students attending four year institutions. (See Figure 23, p. 41.)

- **Attendance Status.** Two out of five male students attend college full time and for a full year. The same proportion attends part time, either for a full or part year. (See Figure 24, p. 41.)

- **Housing.** While the largest share (54 percent) of male students live on their own off campus, 31 percent live with their parents or other relatives. (See Figure 25, p. 42.)

GRANTS AND NET PRICE

- **Grants.** The percentage of men who receive grant assistance ranges from 28 percent at community colleges to 61 percent at private institutions. Overall, 38 percent of male students receive grants, the average amount received is $2,800. (See Figure 26, p. 42.)

- **Net Price**: Male students pay the full range of net prices to attend college. Twenty-one percent pay a net price of less than $2,500 per year, and more than one-third (36 percent) pay a net price of $7,500 or more. (See Figure 27, p. 43.)

FINANCING CHOICES

- **Work**: Eight out of ten male students work; only 12 percent work the recommended 15 hours or less per week. More than one-third (36 percent) of male students work full time while attending college. (See Figure 28, p. 43.)

- **Loans**: Overall, one-quarter of male undergraduates take out student loans in a given year; the average amount they borrow is $4,100. The percentage of students that borrow varies dramatically according to institutional type, from less than 10 percent at community colleges to almost half at private and proprietary institutions. (See Figure 29, p. 44.)

- **Work and Loans Combined**: Three out of five male students forgo loans and rely on work to meet college expenses. One in five men uses both loans and work to finance his education. Less than 15 percent of male undergraduates neither work nor borrow. (See Figure 30, p. 44.)

SUMMARY

Most male undergraduates are dependent students, and the majority of them come from middle- and upper-income families. Many independent male students also have a positive income profile, but many of them achieve their income level by working full time while attending college. For many of these students, the amount of time devoted to work appears to be influenced by family considerations. Independent students without dependents do not work much more than their female counterparts, but men with children are far more likely than women to work full time. This suggests that, for men, the need to provide financially for their families overrides any interest they might have in making rapid progress toward a degree.

Conclusions

It is difficult to make generalizations about the diverse American undergraduate population. Indeed, one of the lasting impressions from these data is the tremendous diversity of students, in terms of both their background characteristics and their financing choices. In particular, the proportion of students who are not of traditional college age and who head their own families is striking. These data should serve as a wake-up call to anyone who continues to believe that most American college students are 18-year-olds who live in dormitories.

But even this trend is not monolithic. Certain groups, such as women and African Americans, are far more likely than others to be older and to head families of their own. The data in this report make it clear that, when studying American college students, it is very important to disaggregate students by race, gender, and dependency status. Only by examining each group separately can one develop a clear understanding of who these students are and what choices they make to finance their education.

Nevertheless, a few similarities cut across race and gender lines. Unfortunately, they are not particularly positive from an academic standpoint. White or minority, rich or poor, male or female, most students attend college part time and work long hours while they are enrolled. Further, most of these students work in lieu of taking out student loans, even though a modest amount of borrowing could enable them to study full time and/or to reduce the number of hours they work.

For students who are taking classes with no plan to earn a degree, this strategy may make perfect sense. However, 90 percent of undergraduates say that they intend to earn a degree, either at their current institution or after transferring to another campus. For these students, combining long hours at a job with part-time attendance at college is self-defeating. Research has consistently shown that stu-

dents who work long hours and attend classes part time are less likely to complete a degree than students who work less and are able to maintain a full-time course load. Students who can devote themselves full-time to their studies and progress rapidly toward a degree are more likely to perform better academically and to earn a degree.

Academic success and degree completion are goals that students and institutions of higher education share. Working together, we must find a way to encourage students to work less and to study more, even if that means increased reliance on student loans.

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